

Lanesboro City Council and Lanesboro Public Utilities Joint Meeting
Monday, July 6th, 2009
Council Chambers @ 5:30 p.m.

Council Present: Rahn, Allen, O'Connor, Jeannette and Dybing

Public Utilities Present: Evenson, Schuck & O'Connor

Absent:

Staff Present: Jerod Wagner, Bobbie Vickerman and City Attorney Tom Manion

Visitors: Dave Applen, Patrick Danz, John Pieper, Ross Trauterschaude, Hal Cropp, Kevin Meyer, Lisa Brainard, Jade Wangen, Terry Neuman, Brian Luna, Colleen Lamon, Robert Culbertson, MN State Senator Sharon Ropes, MN State Representative Gregory Davids, Andy Bunge and Eric Bunge

PUBLIC HEARING:

The Public Hearing was called to order by Public Utilities Commission Chair Evenson. Wagner of the Public Utilities Department explained that due to our wholesale cost increases the Public Utilities must look at increases for electric. Wagner noted that with the new contract with Dairyland Power there is a "true-up" cost that is faced when the cost of generation to Dairyland is more than the amount they are receiving from their customers. Due to some plant outages and maintenance, Dairyland passed on a 16% increase in electric rates. Vickerman noted that the proposed increase for this hearing is passing on that 16% to the Lanesboro customers. Vickerman noted that the commission chose the route of increasing rates which allows a customer to bring their bill back down if they cut the usage of electricity. Vickerman pointed out the booklet with ways to cut back and gave an example of how an average user could get their cost back to what it was without the increase, just by shaving between 100 and 200 kilowatts. Vickerman stated that the other increase that the Utilities had for the hearing was an increase in base rates for a combined water/sewer rate of \$25.00. Evenson noted that due to complaints about the list of charges, the commission chose to unite various line items into one base charge for sewer and water. When the line items are totaled they are \$20.50. The new charge of \$25.00 would have an additional \$4.50 going to the sewer fund. John Pieper asked how that would affect those that have just water. Vickerman stated that the charge would be same as it is now. After no further comments, O'Connor made a motion to close the public hearing, second Schuck, motion carried.

JOINT MEETING:

The joint meeting was called to order by Mayor Rahn. With one addition, the siren cost for Zenith area, the agenda was approved with a motion by O'Connor, second by Dybing, motion carried. The minutes of the June 22nd Council Meeting were approved as printed with a motion by Allen, second O'Connor, motion carried. The minutes of the June 8th Public Utilities Meeting were approved as printed with a motion by O'Connor, second Schuck, motion carried.

PERSONS WITH BUSINESS BEFORE THE COUNCIL AND UTILITIES COMMISSION:

Senator Sharon Ropes and Representative Greg Davids: Ropes and Davids both thanked the Council and audience for giving them the time to talk with them about the future. Ropes mentioned that she was appreciative of the B&B tour given by the Chamber and also the informational tour about the dam and the hydro unit. She noted that there is another possible six billion dollar deficit approaching again in February, noting that there are still many feats that the State and local governments faced. She was glad to see that Lanesboro was not faced with unallotment for 2009 and 2010, however she noted that the future does not look good. Ropes recommended that the Council prepare themselves for 5%, 10% or 15% cuts that way they would be prepared for the cuts when or if they do come. Davids explained the different groups that he is a part of and noted that the specific area for which he felt may be a benefit for the project looked at was the legacy money. Davids noted that

he is on this committee and will look for ways to seek out funds for the dam and/or hydro unit. Davids noted that he and Ropes work together to make the best decisions possible for their communities and will work to seek funding for the City of Lanesboro and its proposed projects.

COMMITTEE MEETINGS:

N/A

HOUSEKEEPING:

Conditional Use Permit for 104 and 106 Parkway Avenue north – “Open Air Market”: Mayor Rahn asked if any one wished to make a comment before a vote was taken. O’Connor noted that he spoke with Sandy Keith who is a part of the Downtown Alliance in Rochester that hosts “Thursdays on First”. Keith noted that it started out small, however it has grown into a great event for Rochester. Keith noted that “Thursdays on First” benefits the locals and the downtown businesses. O’Connor felt that the downtown market could be good for the economy. Mayor Rahn asked if anyone wished to make a comment from the audience. Terry Neuman, from Mrs. B’s, stated that he felt that the “Open Air Market” was a great idea and a positive thing for the community. He stated that anyone can look and see what Lanesboro Local did for a not so pleasant site in town and having an open market in the open lots would bring diversity. Patrick Danz from Slant Avenue stated that as a retail store owner he has concerns about crossing over on products. He noted that he is very specific to his vendors that he does not want to sell any item that another shop in town may be selling. He is afraid that the market may have many items that the retail stores are already selling, which would affect his sales. Danz stated that he is not either for or against it, however he does have concerns about the products. Colleen Lamon voiced that the retail group meets to discuss the items that they are selling and that she is aware that there is a fear, however she noted that knowing the Bunges, they have always done things to better the community and in her opinion they are not going to do something that would jeopardize another person’s business, she felt if all worked together, it could be a positive thing for the community. Ceil Allen agreed that if all worked together it could be a very positive thing and hopes that we can all work together. Mayor Rahn noted that he spoke with Dave Applen and Bill Mormon over the weekend and neither was against it or for it. Lamon spoke again noting that we all should step out and believe in something, the fear is the unknown, but Lanesboro has stepped out and believed in a lot of things that have been positive additions to the community. Jeannette note that he is not for or against, but he is concerned about the extra traffic, the bathroom situation and the product line. He stated that as a business owner he has numerous requests to use his bathroom and do not purchase anything from him. He stated he felt they need to have restrooms and the whole idea of a nomadic market is scary because people are coming in and then out and do not care what is left behind. Robert “Butch” Culbertson said he is concerned about it being the right area, due to the historic nature. He feels a building would be a better benefit due to taxes, however it is a hard economic time, however he hopes that some day there will be a building there again. He asked if there would be any increase in taxable value. Dybing noted that there would be an increase for the improvements made such as added utilities. Dybing noted that downtown businesses could even have a booth in the open market to encourage people to visit their stores, stating that many businesses in downtown Rochester have a booth at “Thursdays on First”. Brian Luna asked if there could be a one year trial period and then review what worked and have everyone work together to make it a positive community event. Eric Bunge spoke that Mensings will be using 25% of the lot for the canoe/tube storage and the rest will not be ready until at least 2010. Dave Applen asked who the vendors were going to contact and how would products be regulated. Dybing noted that the owners would be the contact and that we had already spoke about the adult use ordinance and state statutes that would regulate fireworks and other types of products. Culbertson asked if there could be a transient vendor fee or some type of fee for private lots. Bunge noted that he already has someone interested in a food event for May, which he hopes he is able to have the event.

O'Connor made a motion to approve the Conditional Use Permit, second Dybing. Dybing, O'Connor, Rahn and Allen voted to approve the Permit and Jeannette voted against the motion, motion carried.

Online Payment System: Vickerman noted that she would like the Council and Utilities to look into costs associated with an online payment system. Mainly for ambulance payments, utility payments, Buffalo Bill Days payments, etc. She noted that the public has made requests to use credit or debit cards, but at this time neither the City nor the Utilities accepts them. Vickerman presented a quote from Associated Bank for a check processor and the credit/debit card transaction fees. Vickerman noted that some fees can be passed along to the consumer. Lamon from the audience noted that there are many companies that provide this service and it would be worth it to seek out other bids. Vickerman stated that she would work with Lamon from the Chamber for those resources to bid out the costs associated.

Utility Ongoing Changes: Mayor Rahn asked for discussion in relation to the public hearing and proposed rate increases. Jeannette made a motion to approve the rate increases as presented, second Schuck, motion carried. Vickerman noted how the staff is working to decrease peak levels and finding other ways to educate the public about energy efficiency and cost savings. She complimented the staff for being conscientious of the changes and working to help keep costs down, unfortunately it was noted that the wholesale rate increase needs to be passed along.

Dam/Hydro Update: Vickerman noted that by meeting with Ropes and Davids, she hoped that they could help work with FEMA, Homeland Security and other funding resources to move ahead with the dam repair and the hydro improvements.

Federal Stimulus: Vickerman noted that the state stimulus funds for green power can be applied for in the fall. She noted that any direct funding from the Federal government must be applied for by a city with a population over 30,000. She noted that Lanesboro unfortunately does not qualify. She noted that she and Wagner will work with all of their resources to try to seek out funding.

Paying of the Bills – PU: Vickerman noted that it is very early and not many bills are in yet. She asked for a motion for her to pay the “regular” bills and to hold off on any questionable invoices. Evenson made a motion to have Vickerman pay the regular bills and to use her judgment if there are any questionable bills, second Schuck, motion carried.

Siren for Zenith: Vickerman presented the Council with prices from the Fire Department for the siren. Vickerman noted that she had asked about the siren only being sounded when there was an emergency, to which she noted that the chief responded that the noon whistle is daily check to make sure the sirens are working, and due to health and safety, the siren should be sounded as the other sirens are. Jeannette made a motion to install the siren and have it be in sync with the other sirens, but to seek out any possible funding from emergency funds and to check with the County Emergency Manager about possible funds, second Rahn, motion carried. Vickerman was also asked to check with Rushford and to verify that the costs were quoted.

ADJOURN:

Jeannette moved to adjourn the joint meeting at 7:19 p.m., second by Dybing, motion carried.

Respectfully submitted,

Bobbie Vickerman
City Administrator / Clerk